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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 08/22/08

Index:

- 1) Top headlines
- 2) Editorials
- 3) Prime Minister's daily schedule (Nikkei)

Political issues:

- 4) G-8 house speakers to meet in Hiroshima (Yomiuri)
- 5) Ex-U.S. envoys to advise Obama on Japan (Sankei)
- 6) Japan to accept U.S.-India nuclear pact (Nikkei)
- 7) Prime Minister Fukuda tells Defense Minister Hayashi to gain public understanding for new antiterror legislation (Yomiuri)
- 8) Gulf between LDP, New Komeito over new antiterror legislation (Sankei)
- 9) DPJ's Noda gives up entry into party race, DPJ President Ozawa likely to be elected for 3rd term (Sankei)
- 10) New Komeito wants Diet dissolved late this year or early next year (Asahi)
- 11) Japan in a hurry for antipiracy legislation due to tanker hijack off Somalia (Sankei)

Economic topics:

- 12) MOFA earmarks 500 billion yen, up 13 PERCENT , for ODA projects (Nikkei)
- 13) GOJ eyes new R&D plan for eco-friendly, energy-saving technologies (Nikkei)

Defense & security issues:

- 14) USS George Washington sets sail for Yokosuka (Mainichi)
- 15) SDP President Fukushima calls for detailed USG reports on U.S. flattop, sub accidents (Yomiuri)

Articles:

1) TOP HEADLINES

Asahi, Mainichi, Yomiuri, Sankei, & Tokyo Shimbun
Japan wins softball gold at Olympics

Nikkei:

Government to establish new form of corporation to promote joint
technology research in environment, energy sectors

2) EDITORIALS

Asahi:

- (1) U.S. should freeze plan to deploy MD system in Europe
- (2) Minimize the effect of soaring oil prices on electricity charges

Mainichi:

- (1) Agriculture minister's "consumers-are-noisy" remark irresponsible
- (2) Tax-cut measures in economic package eyed for election campaigning

Yomiuri:

- (1) Subsidy system expected to contribute to promote solar power
- (2) Encourage working mothers with childcare support programs

Nikkei:

- (1) Fiscal coordination causes dissolution of health insurance

TOKYO 00002308 002 OF 007

societies

- (2) Japan-Russia relations may turn icy

Sankei:

- (1) Russia's military presence in Georgia unforgivable
- (2) Japanese tanker hijacked: Refueling mission must be continued

Tokyo Shimbun:

- (1) Over Georgia, U.S. and Russia must not make same mistake as in Cold War era:
- (2) Work and life: Temp workers must not be forgotten

3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, August 21

NIKKEI (Page 2) (Full)
August 22, 2008

10:00

Met former MAFF Minister Tamazawa at the Kantei, followed by Defense Minister Hayashi.

11:29

Met MHLW Minister Masuzoe.

12:09

Met MLIT Minister Tanigaki.

14:02

Met Chief Cabinet Secretary Machimura.

16:12

Met LDP reform taskforce chief Chuma, deputy chief Sonoda, and others. Chuma stayed on.

18:30

Returned to his official residence.

19:02

Dined at a Kudan-kita Chinese restaurant with Consumer Administration Minister Noda, her predecessor Kishida, Council for Promoting Consumer Policy Chairman Sasaki and others.

21:13

Returned to his official residence.

4) G-8 speakers to meet in Hiroshima

YOMIURI (Page 4) (Full)
August 22, 2008

The Group of Eight (G-8) speakers' summit will take place in Hiroshima on Sept. 1-3. This is the first time for Japan to host such a summit. U.S. Speaker of the House Nancy Pelosi and other speakers are expected to attend. The speakers plan to lay flowers for those who perished in the atomic bombing and visit the Hiroshima Peace Memorial Museum. The speakers' summit will likely become an opportunity for Japan, as the only country to have been attacked with atomic weapons, to showcase its efforts to create peace to the international community.

TOKYO 00002308 003 OF 007

The nation that hosts the G-8 has also hosted a speakers' summit every year since the first such summit in Kingston, Canada, in 2002. The Hiroshima summit will be the seventh.

The speaker of the host country picks a venue and topics for discussion. This time, Japan's Lower House Speaker Yohei Kono has chosen two discussion themes: the role of legislatures in creating peace and promoting disarmament, and decision-making processes in a two-chamber system. He has chosen Hiroshima as the venue.

The speakers' summit is not open and does not release any statement. However, Kono is expected to hold a press conference after the meeting.

Pelosi will be the first incumbent U.S. House speaker to visit Hiroshima. Since Pelosi is known for her strong interest in human rights issues, attention is being paid to whether she will make any comments on the atomic bombing.

5) Former U.S. ambassadors to Japan join Obama campaign

SANKEI (Page 7) (Slightly abridged)
August 22, 2008

The campaign team of presumptive Democratic presidential nominee Sen. Barack Obama announced on Aug. 20 that former U.S. Vice President Walter Mondale and former Speaker of the House Thomas Foley -- former U.S. ambassadors to Japan -- have become honorary chairmen of a policy advisory team on Japan policy. The move appears to be aiming at demonstrating Obama's policy of placing importance on Japan.

Mondale and Foley released a statement saying:

"It is important to underscore the longstanding friendship between the two countries. We are confident that Sen. Obama will actively promote the most unshakable bilateral relationship in Asia."

6) Japan to accept U.S.-India nuclear cooperation accord

NIKKEI (Page 6) (Full)
August 22, 2008

The Japanese government has decided to accept the U.S.-India nuclear cooperation agreement that allows the United States to provide India with civilian nuclear technologies and nuclear fuel, treating India, which is not a signatory of the Nuclear Non-Proliferation Treaty (NPT), as an exception. Japan, as the only atomic-bombed country, had considered the matter in a cautious manner from its position of making efforts for nuclear disarmament. Japan has, however, determined that the agreement would make it possible to conduct some nuclear inspections on India under an agreement with the International Atomic Energy Agency (IAEA) and that it would be effective to prevent global warming.

Japan is expected not to oppose the U.S.-India nuclear accord in a meeting of the Nuclear Suppliers Group (NSG), which is to take place on Aug. 21-22 in Vienna. Underlying the decision seems to be the judgment that if India concludes an inspection agreement with the IAEA, it would be possible for the IAEA to conduct inspections without advance notice; and that if India builds more nuclear

TOKYO 00002308 004 OF 007

power-generating plants, it would help curb the country's greenhouse gas emissions.

7) Prime minister orders defense minister to win public understanding for amending antiterrorism law

YOMIURI (Page 4) (Abridged slightly)
August 22, 2008

Prime Minister Yasuo Fukuda held a meeting with Defense Minister Yoshimasa Hayashi at his office yesterday. They confirmed a policy to submit to the next extraordinary Diet session a bill amending the new Antiterrorism Special Measures Law to extend the Maritime Self-Defense Force's refueling mission in the Indian Ocean. The prime minister also ordered Hayashi to obtain public understanding of the significance of continued activities by publicizing them.

After the meeting, Fukuda said: "Another anniversary of the 9/11 attacks (on the United States) is just around the corner. Not only Japan but also many countries around the world are engaged in the war on terror, which began then." After the meeting, Hayashi told reporters: "I think the prime minister's order is designed to set the stage for deliberations on the bill by stressing the importance of the refueling operation."

In compliance with the prime minister's order, the Defense Ministry plans to produce and distribute videos and pamphlets and hold seminars to publicize the need to continue the refueling operation.

8) Coordination of views in ruling bloc imperative ahead of next extra Diet session; Gulf with New Komeito over new terrorism law still remains

SANKEI (Page 5) (Excerpts)
August 22, 2008

Given a high probability that DPJ President Ichiro Ozawa will win his third term without a vote in September, the government and ruling coalition will launch final coordination for convening the next extraordinary Diet session on Sept. 12 based on Prime Minister Yasuo Fukuda's mid-September plan. But there still remains a gulf between the LDP and the New Komeito on measures, including an extension of the new Antiterrorism Special Measures Law for the continuation of the Maritime Self-Defense Force's refueling mission in the Indian Ocean, a highlight in the next session. Ironing out differences in views is an urgent task.

The LDP intends to conduct Diet deliberations early in order to secure enough time for the antiterrorism law while keeping in mind a second vote in the Lower House under the Constitution's Article 59 allowing regarding a failure to take a vote in the opposition-controlled Upper House as a de facto rejection, with an LDP officer saying, "Giving up on the law's extension is not our option."

Meanwhile, the New Komeito, which has expressed opposition to resorting to a Lower House override vote that might hinder the next Lower House election, remains cautious about setting a period of time for the Diet session that is linked to a second vote. Highly alarmed at the DPJ's move to demand Diet testimony by former Komeito Chairman Junya Yano, the LDP's junior partner wants to shorten the next session.

TOKYO 00002308 005 OF 007

Now that DPJ President Ozawa is highly likely to secure his third

term without a vote, the DPJ is certain to intensify its offensive against the ruling bloc. The LDP and New Komeito will now have to expedite their coordination efforts with a pitched battle with the main opposition party in the next session in mind.

9) Noda to give up candidacy for DPJ presidential election

SANKEI (Page 6) (Lead Paragraph)
August 22, 2008

Yoshihiko Noda, 51, chairman of the Public Relations Committee of the Democratic Party of Japan (DPJ), has continued coordination to run in the September party presidential election, but he decided yesterday to give up his candidacy. He made the decision after learning in an executive meeting of his group that many members remain cautious about his candidacy. Noda will formally announce this decision possibly today. It is now certain that DPJ President Ichiro Ozawa, 66, will win a third term without a formal vote.

10) New Komeito cites later this year or early next year timing for Lower House dissolution

ASAHI (Page 4) (Full)
August 22, 2008

In a satellite TV program yesterday, New Komeito President Ota said of the timing for the next House of Representatives election:

"We must find an appropriate time when we would be in a favorable situation to win a victory. In this regard, sometime between later this year and early next year is the option that comes first."

Ota had stopped short of mentioning any specific timing for the general election, just saying: "The Lower House will be dissolved in or after September." Focusing on the Tokyo gubernatorial election slated for next summer, the New Komeito wants to see an early dissolution. By publicly speaking of a concrete timing, Ota seems to be aiming at an early general election

11) Government to expedite efforts to improve legislation following hijack of tanker

SANKEI (Page 5) (Abridged slightly)
August 22, 2008

A Panamanian-registered tanker operated by a Japanese firm was hijacked by pirates off Somalia on Aug. 21. In the wake of this incident, the government has decided to expedite its efforts to improve existing legislation to crack down on suspicious boats, such as pirate ships.

Speaking to reporters at his office last night, Prime Minister Yasuo Fukuda underlined the need for the government's maritime policy taskforce to accelerate its efforts to come up with steps to improve existing legislation, saying, "Given the frequent occurrence of such incidents (piracy), the study must be speeded up."

There is no provision clearly specifying the authority to order a suspicious vessel in Japanese territorial waters or in waters near Japan to stop or to search it. The taskforce established a

TOKYO 00002308 006 OF 007

deliberation team last November to come up with steps to improve the system. The team is now discussing such approaches as amending the fisheries law and establishing a new law.

The prime minister said last night: "Naval vessels of many countries are now at sea to assist Afghanistan. It is extremely important to ensure their safety. Providing fuel to such vessels, we have been cooperating indirectly in cracking down on piracy." The prime minister reiterated the need to extend the new Antiterrorism Special Measures Law authorizing the refueling mission in the Indian Ocean.

12) Foreign Ministry to earmark 500 billion yen, up 13 PERCENT , in ODA budget for fiscal 2009

NIKKEI (Page 5) (Full)
August 22, 2008

The Foreign Ministry has decided to propose in its budgetary estimate for fiscal 2009 an official development assistance (ODA) budget totaling 500.6 billion yen, up 13.6 PERCENT over that in the 2009 initial budget, though the ODA budget has been on the decline in recent years. The ministry will also incorporate in the request costs necessary to build six embassies in Africa and other countries. It will propose a budget totaling 747.1 billion yen, including personnel costs. With approval from the ruling parties, the ministry will announce it on Aug. 29.

13) Government to establish new form of corporation to promote joint technology development in environment, energy sectors

NIKKEI (Top Play) (Excerpts)
August 22, 2008

The government has started coordination to establish a new form of corporation to enable multiple companies to work together on major research initiatives. Under the envisioned corporate system, companies would be allowed to book their stakes in the research corporations as an expense, lowering their tax burden. Once a technology is ready for practical use, the research unit could be turned into a stock company. In the environmental and energy sectors, in which demand is expected to increase in the future, the efforts for technology development by individual firms alone are seen as limited, so the government has judged it indispensable for firms to cooperate. It aims to create an environment under which companies find it easier to promote joint research.

The Ministry of Economy, Trade and Industry is working out the details of the system, with the aim of submitting related bills to the ordinary Diet session next year.

14) USS George Washington departs for Yokosuka

MAINICHI (Page 26) (Abridged)
August 22, 2008

Kyodo

SAN DIEGO—The USS George Washington, a nuclear-powered aircraft carrier to be deployed to the U.S. Navy's Yokosuka base in Kanagawa Prefecture, left a naval base in San Diego on the morning of Aug. 21 (early on Aug. 22 Japan time) for Yokosuka. She was under repair due to a fire that was caused in May.

TOKYO 00002308 007 OF 007

The George Washington is scheduled to arrive at Yokosuka in late September. She will be the first U.S. nuclear-powered flattop to be based outside the U.S. mainland, replacing the USS Kitty Hawk, which is a conventional aircraft carrier.

15) SDP leader calls for accident reports on U.S. naval vessels

YOMIURI (Page 4) (Full)
August 22, 2008

Social Democratic Party head Mizuho Fikushima visited the Foreign Ministry yesterday and urged the ministry to ask the U.S. government to provide Japan with detailed reports on a fire aboard the USS George Washington, a nuclear-powered aircraft carrier to be deployed to Yokosuka Naval Base, and on the leak of radiation by the nuclear-powered submarine Houston while docked at Sasebo Naval Base. North American Affairs Bureau Director-General Shinichi Nishimiya indicated that the ministry would ask the U.S. side to present investigative reports.

SCHIEFFER